

ASSEMBLY BILL

No. 2196

Introduced by Assembly Member Low

February 18, 2016

An act to amend Sections 100001.5, 100011, 100013, 100014, 100014.1, 100017, 100018, 100020, 100022, 100030, 100031, 100055, 100055.1, 100055.2, 100055.3, 100060, 100060.2, 100061, 100062.1, 100070, 100071, 100082, 100090, 100100, 100110, 100111, 100112, 100113, 100114, 100115, 100115.5, 100120, 100121, 100124, 10025, 100126, 100130, 100130.5, 100131, 100132, 100133, 100160, 100160.1, 100160.5, 100161, 100162, 100163, 100164, 100165, 100167, 100168, 100169, 100170, 100171, 100252, 100253, 100254, 100302, 100303, 100304, 100305, 100307, 100308, 100350, 100351, 100370, 100371, 100372, 100380, 100381, 100400, 100401, 100403, 100404, 100407, 100409, 100410, 100411, 100450, 100451, 100460, 100461, 100462, 100463, 100470, 100471, 100482, 100483, 100490, 100491, 100492, 100500, 100601, 100601.5, 100602, 100602.11, 100602.14, 100603, 100605, 100606, 100609, 100610, 100612, 100613, 100618, and 100619 of, to amend the headings of Article 1 (commencing with Section 100060), Article 2 (commencing with Section 100070), and Article 5 (commencing with Section 100100) of Chapter 4 of Part 12 of Division 10 of, to amend the headings of Chapter 4 (commencing with Section 100060) and Chapter 5 (commencing with Section 100110) of Part 12 of Division 10 of, to repeal Sections 100032, 100306, and 100309 of, and to repeal Article 2 (commencing with Section 100040) of Chapter 3 of Part 12 of Division 10 of, the Public Utilities Code, relating to transportation.

LEGISLATIVE COUNSEL'S DIGEST

AB 2196, as introduced, Low. Santa Clara Valley Transportation Authority.

Existing law creates the Santa Clara Valley Transportation Authority with various powers and duties relative to transportation projects and services and the operation of public transit in the County of Santa Clara. Existing law authorizes the authority, among other things, with the approval of the Department of Transportation, to provide funding for the repair and maintenance of state highways within the boundaries of the authority.

This bill would revise numerous statutes related to the Santa Clara Valley Transportation Authority to change references from “authority” to the Santa Clara Valley Transportation Authority and various other references of “authority” or “district” to the VTA. The bill would make other nonsubstantive changes in these statutes and repeal obsolete provisions.

The bill would authorize the board of directors of the VTA to include mayors of cities within the county, as specified.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 100001.5 of the Public Utilities Code is
- 2 amended to read:
- 3 100001.5. The Legislature hereby finds and declares:
- 4 (a) Since the formation of the Santa Clara ~~County Transit~~
- 5 ~~District~~, Valley Transportation Authority, unprecedented growth
- 6 has occurred in the San Francisco Bay area and in Santa Clara
- 7 County in particular. It has become apparent that additional
- 8 measures are required in order to deal more effectively with the
- 9 resultant serious traffic congestion and to foster the development
- 10 of trade and the movement of people in and around the Santa Clara
- 11 Valley and throughout the entire bay area.
- 12 (b) Transit and other modes of transportation are inextricably
- 13 intertwined, and improvement and maintenance of the road and
- 14 highway structure in conjunction and coordination with transit
- 15 improvements are essential to optimize the ability of the ~~authority~~

1 *Santa Clara Valley Transportation Authority* to deal more
2 effectively with serious traffic congestion.

3 (c) The Santa Clara Valley Transportation Authority, having
4 been designated as the Congestion Management Agency for Santa
5 Clara County, and already authorized to construct and improve
6 state and local highways pursuant to Section 100115.5, is uniquely
7 positioned to implement programs to achieve the goal of a balanced
8 approach to solving transportation problems.

9 (d) This goal is best achieved in Santa Clara County by vesting
10 in the ~~authority~~ *Santa Clara Valley Transportation Authority* the
11 ability to plan, design, construct, maintain, and repair road and
12 highway improvements, as well as bicycle, pedestrian, and other
13 transportation facilities, under the conditions set forth in this part.

14 SEC. 2. Section 100011 of the Public Utilities Code is amended
15 to read:

16 100011. “~~Authority,~~” “~~district,~~” or “VTA” means the Santa
17 Clara Valley Transportation Authority.

18 SEC. 3. Section 100013 of the Public Utilities Code is amended
19 to read:

20 100013. “Transit works” or “transit facilities” means any or
21 all real and personal property, equipment, ~~rights~~ *rights*, or interests
22 owned or to be acquired by the ~~district~~ *VTA* for transit service or
23 purposes.

24 SEC. 4. Section 100014 of the Public Utilities Code is amended
25 to read:

26 100014. “Board of directors” and “board” means the board of
27 directors of the ~~district~~ *VTA*.

28 SEC. 5. Section 100014.1 of the Public Utilities Code is
29 amended to read:

30 100014.1. “Director” means a member of the board of directors
31 of the ~~district~~ *VTA*.

32 SEC. 6. Section 100017 of the Public Utilities Code is amended
33 to read:

34 100017. “System” means all transit works and transit facilities
35 owned or held or to be owned or held by the ~~district~~ *VTA* for transit
36 purposes.

37 SEC. 7. Section 100018 of the Public Utilities Code is amended
38 to read:

39 100018. “Revenues” means all rates, fares, tolls, rentals or
40 other income and revenue actually received or receivable by or

1 for the account of the ~~district~~ VTA from the operation of the system,
2 including, without limiting the generality of the foregoing, interest
3 allowed on any moneys or securities and any profits derived from
4 the sale of any securities and any consideration in any way derived
5 from any properties owned, operated or at any time maintained by
6 the ~~district~~ VTA.

7 SEC. 8. Section 100020 of the Public Utilities Code is amended
8 to read:

9 100020. “Establish” includes establish, construct, complete,
10 acquire, extend, or reroute. It does not, however, include the
11 maintenance and operation of any existing system acquired by the
12 ~~district~~ VTA.

13 SEC. 9. Section 100022 of the Public Utilities Code is amended
14 to read:

15 100022. “Transportation works” or “transportation facilities”
16 means any or all real and personal property, rights, or interests
17 owned or to be acquired by the ~~authority~~ VTA to facilitate the
18 passage of vehicles or pedestrians exclusive of transit works and
19 transit facilities.

20 SEC. 10. Section 100030 of the Public Utilities Code is
21 amended to read:

22 100030. *The Legislature recognizes the formation of the Santa*
23 *Clara County Transit District may be formed as provided in this*
24 *chapter Valley Transportation Authority and when so formed it*
25 *may exercise the powers herein granted.*

26 SEC. 11. Section 100031 of the Public Utilities Code is
27 amended to read:

28 100031. *The ~~district~~ territory of the VTA* shall include all
29 incorporated and unincorporated territory lying within the County
30 of Santa Clara.

31 SEC. 12. Section 100032 of the Public Utilities Code is
32 repealed.

33 ~~100032. The Board of Supervisors of the County of Santa Clara~~
34 ~~may, after notice and public hearing, published pursuant to~~
35 ~~Government Code Section 6061, adopt a resolution declaring that~~
36 ~~in its opinion public interest or necessity demands the formation~~
37 ~~of the Santa Clara County Transit District.~~

38 SEC. 13. Article 2 (commencing with Section 100040) of
39 Chapter 3 of Part 12 of Division 10 of the Public Utilities Code is
40 repealed.

1 SEC. 14. Section 100055 of the Public Utilities Code is
2 amended to read:

3 100055. Notwithstanding any other provision of this act, before
4 the ~~district~~ VTA may establish any transit service or system ~~which~~
5 *that* may at any time divert, lessen, or compete for the patronage
6 or revenues of any existing system, the ~~district~~ VTA shall give a
7 written notice to the public utility ~~which~~ *that* is operating the
8 existing system. The written notice shall describe the transit service
9 or system which the ~~district~~ VTA proposes to establish and shall
10 state the time ~~within which the district proposes to establish such~~
11 ~~service or system.~~ *that the VTA proposes to establish that service*
12 *or system.*

13 SEC. 15. Section 100055.1 of the Public Utilities Code is
14 amended to read:

15 100055.1. The ~~district~~ VTA shall not establish the proposed
16 service or system, or maintain and operate the service or system
17 until it has completed the purchase of the existing system or any
18 part thereof.

19 SEC. 16. Section 100055.2 of the Public Utilities Code is
20 amended to read:

21 100055.2. Subject to Section 100351, the purchase price to be
22 paid for the existing system, or any portion thereof to be purchased,
23 shall be the reproduction cost new, including going concern value,
24 at the date upon which the ~~district~~ VTA commences negotiations
25 for the purchase of the existing system, or the portion of the
26 existing system, less depreciation, including wear, tear and
27 obsolescence, if any.

28 SEC. 17. Section 100055.3 of the Public Utilities Code is
29 amended to read:

30 100055.3. The ~~district~~ VTA and public utility operating the
31 existing system may agree upon the purchase price or they may
32 agree that the purchase price is to be established by arbitration and
33 upon the method of naming arbitrators and the method of
34 conducting such arbitration.

35 SEC. 18. The heading of Chapter 4 (commencing with Section
36 100060) of Part 12 of Division 10 of the Public Utilities Code is
37 amended to read:

38
39 CHAPTER 4. GOVERNMENT OF ~~DISTRICT~~ VTA
40

SEC. 19. The heading of Article 1 (commencing with Section 100060) of Chapter 4 of Part 12 of Division 10 of the Public Utilities Code is amended to read:

Article 1. Board of ~~Supervisors~~ *Directors*

SEC. 20. Section 100060 of the Public Utilities Code is amended to read:

100060. (a) The government of the ~~district~~ VTA shall be vested in a board of directors which shall consist of 12 members, as follows:

(1) Two representatives of the county and one alternate who shall be members of the board of supervisors of the county, appointed by the board of supervisors.

(2) Five representatives of the City of San Jose and one alternate who shall be city council members *or the mayor* of the City of San Jose, appointed by the city council.

(3) Five city council members *or mayors* selected from among the city councils *and mayors* of all of the cities in the county, other than the City of San Jose, as provided by agreements among those cities. The agreements may provide for the appointment of alternates, who shall be city council ~~members~~, *members or mayors*, for those city representatives.

(b) An alternate may vote in the place of a director represented by that alternate if the director is absent.

(c) To the extent possible, the appointing powers shall appoint individuals who have expertise, experience, or knowledge relative to transportation issues.

SEC. 21. Section 100060.2 of the Public Utilities Code is amended to read:

100060.2. Except as otherwise provided, the term of office for each director shall be two years and until the appointment and qualification of his or her successor. A successor shall be appointed not later than 30 days immediately upon the expiration of a director's term. ~~The first directors shall include those who are members of the board of directors of the Santa Clara County Congestion Management Agency as of January 1, 1995, and their terms shall be equal to the time that otherwise would remain in their congestion management agency offices.~~ A vacancy exists whenever a director ceases to hold office on the city council or

board of supervisors from which he or she was appointed. Any vacancy shall, within 60 days of its occurrence, be filled for the balance of the term by the body that made the original appointment.

SEC. 22. Section 100061 of the Public Utilities Code is amended to read:

100061. The board of directors shall annually elect a chairperson who shall preside at all meetings. The board of directors shall also annually elect a vice chairperson, who, in the event of the chairperson's absence or inability to act, shall act as chairperson, and while so acting, shall have all of the ~~authority~~ *power and obligations* of the chairperson.

SEC. 23. Section 100062.1 of the Public Utilities Code is amended to read:

100062.1. (a) No ordinance, except an urgency ordinance, shall be passed by the board on the day of its introduction, nor within three days thereafter, nor at any time other than at a regular or adjourned regular meeting. The enacting clause of all ordinances shall be as follows:

"The Board of Directors of the Santa Clara ~~County Transit District~~ *Valley Transportation Authority* ordains as follows:"

(b) All ordinances shall be signed by the chairperson of the board or the vice chairperson and attested by the secretary. Before the expiration of 15 days after the passage of an ordinance, it shall be published once in a newspaper of general circulation in the ~~district territory of the VTA~~ as provided by law for ordinances adopted by counties. An order entered in the minutes of the board that the ordinance has been duly published is prima facie proof of publication.

(c) Urgency ordinances shall be adopted in the same manner as provided by law for the adoption of urgency ordinances by counties.

SEC. 24. The heading of Article 2 (commencing with Section 100070) of Chapter 4 of Part 12 of Division 10 of the Public Utilities Code is amended to read:

Article 2. Powers and Duties of Board of ~~Supervisors~~ *Directors*

SEC. 25. Section 100070 of the Public Utilities Code is amended to read:

1 100070. The board of directors is the legislative body of the
2 ~~district VTA~~ and shall determine all questions of ~~district VTA~~
3 policy.

4 SEC. 26. Section 100071 of the Public Utilities Code is
5 amended to read:

6 100071. It shall be the duty of the board of directors and it
7 shall have the power to:

8 (a) Determine the transit facilities to be acquired and constructed
9 by the ~~district~~, VTA, the manner of operation, and the means to
10 finance them.

11 (b) Adopt an annual budget for the ~~district VTA~~ that provides
12 for the compensation of its officers and employees.

13 (c) Fix rates, rentals, charges and classifications of transit service
14 operated by the ~~district~~ VTA.

15 (d) Adopt an administrative code that prescribes the powers and
16 duties of ~~district VTA~~ officers, the method of appointment of ~~district~~
17 VTA employees, and the methods, procedures, and systems for the
18 operation and management of the ~~district~~ VTA.

19 (e) Adopt rules and regulations governing the use of transit
20 facilities owned or operated by the ~~district~~ VTA.

21 (f) Cause a postaudit of the financial transactions and records
22 of the ~~district VTA~~ to be made at least annually by a certified public
23 accountant or public accountant.

24 (g) Adopt reasonable rules and regulations providing for the
25 administration of employer-employee relations.

26 (h) Do any and all things necessary to carry out the purposes of
27 this part.

28 SEC. 27. Section 100082 of the Public Utilities Code is
29 amended to read:

30 100082. The advisory committees shall provide advice to the
31 board of directors on matters of ~~district VTA~~ policy and shall have
32 additional duties as provided by the board of directors.

33 SEC. 28. Section 100090 of the Public Utilities Code is
34 amended to read:

35 100090. The officers of the ~~district VTA~~ shall consist of the
36 members of the board of directors, the chairperson and vice
37 chairperson of the board, a secretary, a general manager, a general
38 counsel, and any other officers that the board deems necessary and
39 provides for by ordinance or resolution. The general manager and

1 general counsel shall be appointed and may be removed by the
2 affirmative votes of a majority of the board.

3 SEC. 29. The heading of Article 5 (commencing with Section
4 100100) of Chapter 4 of Part 12 of Division 10 of the Public
5 Utilities Code is amended to read:

6
7 Article 5. ~~Executive Officer~~ *General Manager*
8

9 SEC. 30. Section 100100 of the Public Utilities Code is
10 amended to read:

11 100100. The power and duties of the general manager are:

12 (a) To head the administrative branch of the ~~district~~ VTA and
13 to be responsible to the board of directors for the proper
14 administration of all affairs of the ~~district~~ VTA.

15 (b) To appoint, supervise, suspend or remove, ~~district~~ VTA
16 officers other than the members of the board and officers appointed
17 by the board.

18 (c) To supervise and direct the preparation of the annual budget
19 for the board and be responsible for its administration after its
20 adoption.

21 (d) To formulate and present to the board plans for transit *and*
22 *other transportation* facilities within the ~~district~~ *territory of the*
23 *VTA* and the means to finance them.

24 (e) To supervise the planning, acquisition, construction,
25 ~~maintenance~~ *maintenance*, and operation of the transit facilities
26 of the ~~district~~ *VTA and other transportation facilities within the*
27 *territory of the VTA, as needed.*

28 (f) To attend all meetings of the board.

29 (g) To prepare and submit to the board as soon as practicable
30 after the end of each fiscal year a complete report of the finances
31 and administrative activities of the ~~district~~ VTA for the preceding
32 year.

33 (h) To perform ~~such~~ other and additional duties as the board
34 may require.

35 SEC. 31. The heading of Chapter 5 (commencing with Section
36 100110) of Part 12 of Division 10 of the Public Utilities Code is
37 amended to read:

38
39 CHAPTER 5. POWERS AND FUNCTIONS OF ~~District~~ VTA
40

1 SEC. 32. Section 100110 of the Public Utilities Code is
2 amended to read:

3 100110. The ~~district~~ VTA has perpetual succession and may
4 adopt a seal and alter it at its pleasure.

5 SEC. 33. Section 100111 of the Public Utilities Code is
6 amended to read:

7 100111. The ~~district~~ VTA may sue and be sued, except as
8 otherwise provided by law, in all actions and proceedings, in all
9 courts and tribunals of competent jurisdiction.

10 SEC. 34. Section 100112 of the Public Utilities Code is
11 amended to read:

12 100112. All claims for money or damages against the ~~district~~
13 VTA are governed by Division 3.6 (commencing with Section 810)
14 of Title 1 of the Government Code except as provided therein, or
15 by other statutes or regulations expressly applicable thereto.

16 SEC. 35. Section 100113 of the Public Utilities Code is
17 amended to read:

18 100113. (a) The ~~district~~ VTA shall not levy any tax unless a
19 ~~majority of approved by the electors voting on the measure vote~~
20 ~~to authorize the levy of the tax in accordance with Article XIII C~~
21 ~~of the California Constitution at a special election called for that~~
22 ~~purpose by the board of supervisors. directors.~~

23 ~~Whenever~~

24 (b) ~~Whenever~~ a bond election is held to authorize incurring
25 bonded indebtedness pursuant to Section 100400, the ordinance
26 calling the election shall include a statement of the tax or taxes to
27 be levied or continued to be levied and used, to the extent ~~such~~
28 ~~those~~ taxes are required to pay principal of and interest on the
29 bonds as the same become due, to provide any sinking fund
30 payments required therefor, or to create or maintain any reserve
31 fund required therefor. A vote in favor of the issuance of the bonds
32 shall authorize the board to levy and collect such taxes. The
33 ordinance levying ~~such the~~ taxes shall not be repealed until all
34 bonds payable from the revenues derived from ~~such the~~ taxes have
35 been fully paid or provision has been made for their payment in
36 full.

37 SEC. 36. Section 100114 of the Public Utilities Code is
38 amended to read:

1 100114. Except as otherwise provided in this part, ~~district~~ VTA
2 elections shall be called, held, and conducted as provided by the
3 Uniform District Election Law.

4 SEC. 37. Section 100115 of the Public Utilities Code is
5 amended to read:

6 100115. The ~~district~~ VTA may exercise any and all powers
7 granted by any other law that, by its terms, is applicable to transit
8 districts generally, to public agencies generally, or to any
9 classification of districts or public agencies that includes a ~~district~~
10 *an entity* of the type provided for in this part, but the ~~district~~ VTA
11 shall not exercise any power contrary to an express provision of
12 this part.

13 SEC. 38. Section 100115.5 of the Public Utilities Code is
14 amended to read:

15 100115.5. (a) The ~~authority~~ VTA may administer and
16 implement any adopted countywide transportation expenditure
17 plan funded in an amount greater than 50 percent from revenues
18 derived from a retail transaction and use tax, if so designated in
19 the plan or if the ~~authority~~ VTA and the entity that imposes the tax
20 have entered into an agreement that so provides. The ~~authority~~
21 VTA may exercise those powers necessary to carry out this purpose.

22 (b) The ~~authority~~ VTA may do any and all things necessary to
23 ensure the completion of any projects established in a plan as set
24 forth in subdivision (a). These projects may include, but are not
25 limited to, all of the following:

- 26 (1) The construction and improvement of state highways.
27 (2) The construction, maintenance, and improvement of local
28 roads, streets, and county highways.
29 (3) The construction, improvement, and operation of public
30 transit systems, including paratransit services.
31 (4) The construction and improvement of bicycle and *other*
32 transportation facilities.

33 (c) The ~~authority~~ VTA shall consult with and coordinate any
34 actions for administering and implementing a plan as set forth in
35 subdivision (a) with the cities in the county, the board of
36 supervisors, and the Department of Transportation.

37 (d) Nothing in this section shall vary the terms of the cooperative
38 agreement dated July 1, 1999, between the ~~authority~~ VTA and the
39 County of Santa Clara for the construction of transportation
40 projects utilizing local transaction and use tax revenues derived

1 from Santa Clara County general tax Measure B approved by the
2 voters in November 1996. If any of the provisions of this section
3 conflict with the provisions of that cooperative agreement, the
4 provisions of the cooperative agreement shall take precedence.

5 SEC. 39. Section 100120 of the Public Utilities Code is
6 amended to read:

7 100120. The ~~district~~ VTA may make contracts and enter into
8 stipulations of any nature whatsoever, either in connection with
9 eminent domain proceedings or otherwise, including, without
10 limiting the generality of the foregoing, contracts and stipulations
11 to indemnify and save harmless, to employ labor, and to do all acts
12 necessary and convenient for the full exercise of the powers granted
13 in this part.

14 SEC. 40. Section 100121 of the Public Utilities Code is
15 amended to read:

16 100121. The ~~district~~ VTA may contract with any department
17 or agency of the United States of America, with any public agency
18 or with any person upon ~~such~~ terms and conditions as the board
19 finds is for the best interest of the ~~district~~ VTA.

20 SEC. 41. Section 100124 of the Public Utilities Code is
21 amended to read:

22 100124. The ~~district~~ VTA may insure against any accident or
23 destruction of the system or any part thereof. The ~~district~~ VTA may
24 insure against loss of revenues from any cause whatsoever. It may
25 provide, in the proceedings authorizing the issuance of any bonds,
26 for the carrying of insurance in ~~such an~~ amount and of ~~such a~~
27 character as may be specified and for the payment of premiums
28 thereon. The ~~district~~ VTA may also provide insurance as provided
29 in Part 6 (commencing with Section 989) of Division 3.6 of Title
30 1 of the Government Code.

31 SEC. 42. Section 100125 of the Public Utilities Code is
32 amended to read:

33 100125. The ~~district~~ VTA may contract for the services of
34 independent contractors.

35 SEC. 43. Section 100126 of the Public Utilities Code is
36 amended to read:

37 100126. The ~~district~~, *Santa Clara County Transit District*,
38 which was established with the approval of the voters in 1972,
39 shall continue as an entity under the control of its governing board
40 as reorganized pursuant to the amendments to this part by statutes

1 that were enacted in 1994. Nothing in the act that added this section
2 during the second year of the 1993–94 Regular Session shall be
3 construed to alter, impair, or terminate existing contracts between
4 the district and other parties, including, but not limited to, funding
5 agreements, grants, labor agreements, agreements entered into
6 pursuant to Section 13(c) of the Federal Transit Act and its
7 antecedents, bonds, notes, equipment trust certificates, or other
8 obligations of the district. All rights and powers of the district shall
9 continue in full force and effect and no affirmation, adoption, or
10 assumption by the board of directors is required for that
11 continuation. The ~~district~~ VTA shall become the successor to certain
12 county contracts as provided by agreement between the county
13 and the ~~district~~ VTA.

14 SEC. 44. Section 100130 of the Public Utilities Code is
15 amended to read:

16 100130. The ~~district~~ VTA may take by grant, purchase, devise,
17 or lease, or condemn in proceedings under eminent domain, or
18 otherwise acquire, and hold and enjoy, real and personal property
19 of every kind within or without the ~~district~~ *territory of the VTA*
20 necessary to the full or convenient exercise of its powers. The
21 board may lease, mortgage, sell, or otherwise dispose of any real
22 or personal property within or without the ~~district~~ *territory of the*
23 *VTA* necessary to the full or convenient exercise of its powers.

24 SEC. 45. Section 100130.5 of the Public Utilities Code is
25 amended to read:

26 100130.5. (a) The ~~district~~ VTA may take by gift, or take or
27 convey by grant, purchase, devise, or lease, and hold and enjoy,
28 real and personal property of every kind within or without the
29 ~~district~~ *territory of the VTA* necessary for, incidental to, or
30 convenient for, transit-oriented joint development projects that
31 meet the definition and requirement set forth in subdivision (b).

32 (b) (1) For purposes of this section, a transit-oriented joint
33 development project is a commercial, residential, or mixed-use
34 development that is undertaken in connection with existing,
35 planned, or proposed transit facilities and is located $\frac{1}{4}$ mile or less
36 from the external boundaries of that facility.

37 (2) Any transit-oriented joint development project created under
38 this section shall comply with the land use and zoning regulations
39 of the city, county, or city and county in which the project is
40 located.

(c) Notwithstanding Sections 53090 and 53091 of the Government Code or any other provision of law, the authority granted under this section is subject to the land use and zoning regulations of the city, county, or city and county jurisdiction in which the transit-oriented joint development is located, in accordance with the Planning and Zoning Law (Title 7 (commencing with Section 65000) of the Government Code), relating to zoning.

SEC. 46. Section 100131 of the Public Utilities Code is amended to read:

100131. (a) ~~The district~~ VTA may exercise the right of eminent domain to take any property necessary or convenient to the exercise of the powers granted in this part. ~~The district, VTA, in exercising such this power, shall in addition to the damages for the taking, injury, or destruction of property, also pay the cost, exclusive of betterment and with credit for salvage value, of removal, reconstruction, or relocation of any structure, railways, mains, pipes, conduits, wires, cables, or poles of any public utility which is that are~~ required to be moved to a new location.

~~No~~

(b) ~~No~~ taking or acquisition by ~~the district which~~ VTA that would involve the abandonment, removal, relocation, or use of the property of a railroad corporation, as defined in Section 230, shall be permitted, unless the Public Utilities Commission, after a hearing, shall find and determine that the public interest and necessity require the abandonment, removal, relocation, or use of ~~such that~~ property and that ~~such the~~ taking or acquisition will not unreasonably impair the ability of the railroad corporation involved to provide safe, adequate, economical, and efficient service.

SEC. 47. Section 100132 of the Public Utilities Code is amended to read:

100132. The Public Utilities Commission of the state shall have and exercise power and jurisdiction to fix just compensation to be paid for the taking of any property of a public utility in eminent domain proceedings brought by ~~the district. VTA. The district VTA may commence and maintain such the~~ eminent domain proceedings in the Public Utilities Commission or the superior court at its option.

SEC. 48. Section 100133 of the Public Utilities Code is amended to read:

1 100133. The ~~district~~ VTA is entitled to the benefit of any
2 reservation or grant, in all cases, where any right has been reserved
3 or granted to any public agency to construct or maintain roads,
4 ~~highway~~ highways, or other crossings over any public or private
5 lands.

6 SEC. 49. Section 100160 of the Public Utilities Code is
7 amended to read:

8 100160. The ~~district~~ VTA may provide transit service for the
9 transportation of passengers and their incidental baggage by any
10 means.

11 SEC. 50. Section 100160.1 of the Public Utilities Code is
12 amended to read:

13 100160.1. The ~~authority~~ VTA may provide facilities, including
14 streets and highways, for the movement of vehicles, bicycles, and
15 pedestrians. All installations in state highways shall be developed
16 and implemented with the concurrence and under the oversight of
17 the Department of Transportation. The installation shall conform
18 to requirements and regulations established by the Department of
19 Transportation.

20 SEC. 51. Section 100160.5 of the Public Utilities Code is
21 amended to read:

22 100160.5. The ~~district~~ VTA may operate charter bus service
23 subject to the following limitations:

24 (a) No bus equipment ~~which~~ *that* is designed solely for charter
25 service shall be purchased. A bus equipped with a toilet or
26 underfloor baggage compartment shall be deemed charter
27 equipment.

28 (b) The board shall hold a public hearing prior to adopting a
29 charter rate schedule or any amendment thereof. Notice of the
30 hearing shall be mailed to each charter-party carrier operating
31 within the district at least 30 days prior to the hearing. The notice
32 shall include the proposed charter rate schedule. At the close of
33 the public hearing the board may adopt charter rate schedules
34 ~~which~~ *that* shall not be less than the average for the three largest
35 private charter-party carriers operating similar service in the
36 ~~district.~~ *territory of the VTA.*

37 (c) Charter service shall originate and terminate within the area
38 served by the ~~district~~ VTA unless a private charter-party carrier
39 requests the ~~district~~ VTA to provide service beyond the area served
40 by the ~~district.~~ VTA.

1 SEC. 52. Section 100161 of the Public Utilities Code is
2 amended to read:

3 100161. (a) ~~The authority~~ VTA may acquire, construct, own,
4 operate, control, or use rights-of-way, rail lines, buslines, stations,
5 platforms, switches, yards, terminals, and any and all facilities
6 necessary or convenient for transit service within or partly without
7 ~~the authority, territory of the~~ VTA, underground, upon, or above
8 the ground and under, upon, or over public streets or other public
9 ways or waterways, together with all physical structures, including
10 parking lots and day care centers and related child care facilities,
11 that are necessary or convenient for the access of persons or
12 vehicles thereto. ~~The authority~~ VTA may acquire any interest in or
13 rights to use or the joint use of any or all of those facilities.

14 (b) ~~The authority~~ VTA may acquire, construct, and provide for
15 repair and maintenance of any and all facilities necessary or
16 convenient for vehicular and pedestrian transportation, within or
17 partly without the ~~boundaries of the authority, territory of the~~ VTA,
18 underground, upon, or above the ground, together with all physical
19 structures, including parking lots and soundwalls, that are necessary
20 or convenient therefor. In this connection, ~~the authority~~ VTA may
21 exercise any power with respect to highways granted to counties
22 under Article 1 (commencing with Section 760) of Chapter 4 of
23 Division 1 of the Streets and Highways Code in connection with
24 any project included in the countywide transportation plan and an
25 adopted regional transportation plan, but shall not usurp or impinge
26 upon the powers and responsibilities granted to the county with
27 regard to county highways. Highway and other transportation
28 expenditures shall be consistent with adopted regional
29 transportation plans and programs.

30 (c) ~~Authority~~ VTA installations in freeways shall be subject to
31 the approval of the Department of Transportation. Installations in
32 other state highways shall be subject to Article 2 (commencing
33 with Section 670) of Chapter 3 of Division 1 of the Streets and
34 Highways Code. Installations in county highways and city streets
35 shall be subject to similar encroachment permits.

36 (d) ~~The authority~~ VTA shall not use any state transportation
37 funds, including, but not limited to, ~~money moneys~~ in the State
38 Highway Account, or the Transportation Planning and
39 Development Account, in the State Transportation Fund, and

1 passenger rail and clean air bond act money to acquire, construct,
2 or operate day care centers and related child care facilities.

3 SEC. 53. Section 100162 of the Public Utilities Code is
4 amended to read:

5 100162. The ~~district~~ VTA may lease or contract for the use of
6 its transit facilities, or any portion thereof, to any operator, and
7 may provide for subleases by ~~such~~ *an* operator upon ~~such~~ terms
8 and conditions as it deems in the public interest. The word
9 “operator” as used in this section means any public agency or any
10 person.

11 SEC. 54. Section 100163 of the Public Utilities Code is
12 amended to read:

13 100163. The board may contract with any public agency or
14 person to provide transit or transportation facilities and services
15 for the ~~district~~ VTA.

16 SEC. 55. Section 100164 of the Public Utilities Code is
17 amended to read:

18 100164. (a) The ~~authority~~ VTA may construct and operate or
19 acquire and operate transit works and facilities and may construct,
20 acquire, and provide for repair and maintenance of transportation
21 facilities, in, under, upon, over, across, or along any state or public
22 highway or any stream, ~~bay~~ *bay*, or watercourse, or over any of
23 the lands that are the property of the state, to the same extent that
24 the rights and privileges appertaining thereto are granted to
25 municipalities within the state.

26 (b) (1) Notwithstanding subdivision (a), and subject to the
27 approval of the Department of Transportation, the ~~authority~~ VTA
28 may provide funding for the repair and maintenance of state
29 highways within the ~~boundaries of the authority~~ *territory of the*
30 VTA.

31 (2) The ~~authority~~ VTA shall not directly, or indirectly, except
32 by providing funding pursuant to paragraph (1), repair or maintain
33 any state highway.

34 SEC. 56. Section 100165 of the Public Utilities Code is
35 amended to read:

36 100165. The ~~district~~ VTA may enter into agreements for the
37 joint use of any property and rights by the ~~district~~ VTA and any
38 public agency or public utility operating transit facilities; may
39 enter into agreements with any public agency or public utility
40 operating any transit facilities, and wholly or partially within or

1 without the ~~district~~, *territory of the VTA*, for the joint use of any
2 property of the ~~district~~ VTA or of ~~such~~ *the* public agency or public
3 utility, or the establishment of through routes, joint fares, transfer
4 of ~~passengers~~ *passengers*, or pooling arrangements.

5 SEC. 57. Section 100167 of the Public Utilities Code is
6 amended to read:

7 100167. The ~~district~~ VTA shall be subject to the provisions of
8 Division 14.8 (commencing with Section 34500) of the Vehicle
9 Code with respect to operation of buses and to the rules and
10 regulations enforceable by the State of California Highway Patrol
11 pursuant to that chapter regulating the safe operation of buses.

12 SEC. 58. Section 100168 of the Public Utilities Code is
13 amended to read:

14 100168. The ~~district~~ VTA shall be subject to the regulations of
15 the Public Utilities Commission relating to safety appliances and
16 procedures, and the commission shall inspect all work done
17 pursuant to this part and may make ~~such~~ further additions or
18 changes necessary for the purpose of safety to employees and the
19 general public. The commission shall enforce the provisions of
20 this section.

21 SEC. 59. Section 100169 of the Public Utilities Code is
22 amended to read:

23 100169. The ~~district~~ VTA and any one or more school districts
24 located within its ~~boundaries~~ *territory* may enter into agreements
25 pursuant to which school transportation equipment may be used
26 for transit purposes within the ~~district's boundaries~~ *VTA's territory*
27 during any time that ~~such~~ *the* equipment is not actually required
28 for school purposes.

29 SEC. 60. Section 100170 of the Public Utilities Code is
30 amended to read:

31 100170. The ~~authority~~ VTA may accept, without limitation by
32 any other provisions of this part requiring approval of indebtedness,
33 contributions, grants, or loans from any public agency or the United
34 States or any department, instrumentality, or agency thereof, for
35 the purpose of financing the acquisition, construction, maintenance,
36 or operation of transit facilities, or the acquisition and construction
37 of transportation facilities. The ~~authority~~ VTA may enter into
38 contracts and cooperate with, and accept cooperation from, any
39 public agency or the United States, or agency thereof, in the
40 acquisition, construction, maintenance, or operation, and in

1 financing the acquisition, construction, maintenance or operation
2 of any transit facilities or in the acquisition and construction of
3 any transportation facilities in accordance with any legislation that
4 Congress or the Legislature of the State of California may have
5 heretofore adopted or may hereafter adopt, under which aid,
6 assistance, and cooperation may be furnished by the United States
7 or any public agency in the acquisition, construction, ~~maintenance~~
8 *maintenance*, and operation of any transit or transportation
9 facilities. The ~~authority~~ VTA may do any and all things necessary
10 in order to avail itself of aid, assistance, and cooperation under
11 any federal or state legislation now or hereafter enacted. Any
12 evidence of indebtedness issued under this section shall constitute
13 a negotiable instrument.

14 SEC. 61. Section 100171 of the Public Utilities Code is
15 amended to read:

16 100171. The ~~district~~ VTA may obtain temporary transfers of
17 funds in accordance with the last paragraph of Section 6 of Article
18 XVI of the California Constitution.

19 SEC. 62. Section 100252 of the Public Utilities Code is
20 amended to read:

21 100252. The ~~district~~ VTA may contract with the State Board
22 of Equalization for its service in the preparations necessary to
23 administer a transaction and use tax ordinance. The costs to be
24 covered by the contract are to be for services of the types described
25 in Section 7272 of the Revenue and Taxation Code for preparatory
26 work up to the date of the adoption of the ordinance. Any disputes
27 as to the amount of the costs shall be resolved in the same manner
28 as provided in that section.

29 SEC. 63. Section 100253 of the Public Utilities Code is
30 amended to read:

31 100253. Prior to the operative date of the transaction and use
32 tax ordinance, the ~~district~~ VTA shall contract with the State Board
33 of Equalization to perform all functions incident to the
34 administration and operation of the ordinance.

35 SEC. 64. Section 100254 of the Public Utilities Code is
36 amended to read:

37 100254. If the ~~district~~ VTA shall not have contracted with the
38 State Board of Equalization prior to the operative date of its
39 transaction and use tax ordinance, it shall nevertheless so contract,

1 and, in ~~such~~ *that* case, the operative date shall be the first day of
2 the first calendar quarter following the execution of the contract.

3 SEC. 65. Section 100302 of the Public Utilities Code is
4 amended to read:

5 100302. Whenever a majority of the employees employed by
6 the ~~district~~ VTA in a unit appropriate for collective bargaining
7 indicate a desire to be represented by a labor organization and
8 upon determining, as provided in Section 100301, that said labor
9 organization represents at least a majority of the employees in the
10 appropriate unit, the board and the accredited representative of
11 employees shall bargain in good faith and make all reasonable
12 efforts to reach agreement on the terms of a written contract
13 governing wages, ~~hours~~ *hours*, and working conditions.

14 SEC. 66. Section 100303 of the Public Utilities Code is
15 amended to read:

16 100303. (a) A contract or agreement shall not be made with
17 any labor organization, association, group, or individual that denies
18 membership on any basis listed in subdivision (a) of Section 12940
19 of the Government Code, as those bases are defined in Sections
20 12926 and 12926.1 of the Government Code. However, the
21 organization may preclude from membership any individual who
22 advocates the overthrow of the government by force or violence.

23 (b) The ~~district~~ VTA shall not discriminate with regard to
24 employment against any person on any basis listed in subdivision
25 (a) of Section 12940 of the Government Code, as those bases are
26 defined in Sections 12926 and 12926.1 of the Government Code,
27 except as otherwise provided in Section 12940 of the Government
28 Code.

29 SEC. 67. Section 100304 of the Public Utilities Code is
30 amended to read:

31 100304. If, after a reasonable period of time, representatives
32 of the ~~district~~ VTA and the accredited representatives of the
33 employees fail to reach agreement on the terms of a written contract
34 governing wages, hours, pensions and working conditions or the
35 interpretation or application of the terms of an existing contract,
36 either party may request mediation services of the State
37 Conciliation Service.

38 SEC. 68. Section 100305 of the Public Utilities Code is
39 amended to read:

100305. If, after a reasonable period of time, representatives of the ~~district~~ VTA and the accredited representatives of the employees fail to reach agreement either on the terms of a written contract governing wages, hours, ~~pensions~~ *pensions*, and working conditions or the interpretation or application of the terms of an existing contract, upon the agreement of both the ~~district~~ VTA and the representatives of the employees, the dispute may be submitted to an arbitration board and the decision of the majority of ~~such~~ *the* arbitration board shall be final and binding. The arbitration board shall be composed of two representatives of the district and two representatives of the labor organization, and they shall endeavor to agree upon the selection of a fifth member. If they are unable to ~~agree~~ *agree*, the names of five persons experienced in labor arbitration shall be obtained from the State Conciliation Service. The labor organization and the ~~district~~ VTA shall, alternately, strike a name from the list so supplied, and the name remaining after the labor organization and the ~~district~~ VTA have stricken four names, shall be designated as the fifth arbitrator and chairman of the board of arbitration. The labor organization and the ~~district~~ VTA shall determine by lot who shall first strike a name from the list. The decision of a majority of the arbitration board shall be final and binding upon the parties thereto. Each party shall be responsible for the expense of the presentation of its case. All other expenses of arbitration shall be borne equally by the parties and said expenses may include the making of a verbatim record of the proceedings and transcript of that record.

SEC. 69. Section 100306 of the Public Utilities Code is repealed.

~~100306. In the event the district and the representatives of the employees do not agree to submit any dispute to arbitration as provided in Section 100305 the State Conciliation Service may be notified by either party that a dispute exists and there is no agreement to arbitrate.~~

~~Following such notification the State Conciliation Service shall determine whether or not the dispute may be resolved by the parties and, if not, the issues concerning which the dispute exists. Upon such determination the service shall certify its findings to the Governor of the State of California. The Governor shall, within 10 days of receipt of certification, appoint a factfinding commission consisting of three persons.~~

1 The commission shall immediately convene and inquire into and
2 investigate the issues in the dispute. The commission shall have
3 authority to issue subpoenas for the attendance of witnesses and
4 subpoenas duces tecum for the production of books, documents
5 and other records. Subpoenas shall be served and enforced in
6 accordance with Chapter 2 (commencing with Section 1985) of
7 Title 3, Part 4, of the Code of Civil Procedure. The commission
8 shall report to the Governor within 30 days of the date of its
9 creation.

10 After the creation of such a commission, and for 30 days after
11 such commission has made its report to the Governor, no change,
12 except by mutual agreement, shall be made by the parties to the
13 controversy in the conditions out of which the dispute arose, and
14 service to the public shall be provided.

15 SEC. 70. Section 100307 of the Public Utilities Code is
16 amended to read:

17 100307. (a) Chapter 10 (commencing with Section 3500) of
18 Division 4 of Title 1 of the Government Code is not applicable to
19 the district. VTA.

20 (b) The amendments to this section made at the 1995-96 Regular
21 Session are not intended to modify, and shall not have the effect
22 of modifying, an existing bargaining unit determination made by
23 the Department of Industrial Relations pursuant to Section 100301.

24 SEC. 71. Section 100308 of the Public Utilities Code is
25 amended to read:

26 100308. County employees and employees of the Santa Clara
27 County Congestion Management Agency who, on a date or dates
28 determined by the board of directors, terminate their employment
29 and immediately thereafter become employees of the district, VTA,
30 shall transfer to the district, VTA, and the district VTA shall assume
31 liability for, all of their accrued and unused vacation, sick leave,
32 personal leave, compensating time off and STO balances and days
33 of accrued service in accordance with the records of their former
34 employer in lieu of any payment by the former employer for those
35 balances. Those employees who were covered by a county or
36 congestion management agency pension plan shall be entitled to
37 the same or equivalent rights, options, privileges, benefits,
38 obligations, accrued service, and status under the pension plan of
39 the district. VTA.

1 SEC. 72. Section 100309 of the Public Utilities Code is
2 repealed.

3 ~~100309. To the extent permitted by law, and until altered or~~
4 ~~revoked as provided by law, the district shall grant recognition to~~
5 ~~those employee organizations which served as the recognized~~
6 ~~representatives of the former county employees described in~~
7 ~~Section 100308 immediately prior to their employment by the~~
8 ~~district.~~

9 The district shall assume and observe all applicable provisions,
10 including wages, of existing written memoranda of understanding
11 in effect between the county and the above recognized labor
12 organizations for those former county employees described in
13 Section 100308 who are employed by the district in positions which
14 would have been covered by those memoranda if the employees
15 had remained employed by the county. This obligation extends
16 only for the remainder of the term of the respective existing written
17 memoranda of understanding and to the extent not superseded by
18 a successor agreement between the district and a recognized labor
19 organization.

20 SEC. 73. Section 100350 of the Public Utilities Code is
21 amended to read:

22 100350. (a) Whenever the ~~district~~ VTA acquires existing
23 facilities from a publicly or privately owned utility, either in
24 proceedings by eminent domain or otherwise, to the extent
25 necessary for operation of facilities, all of the employees of ~~such~~
26 ~~the~~ public utility whose duties pertain to the facilities acquired
27 who have been employed by said utility for at least ~~seventy-five~~
28 ~~(75)~~ 75 days shall be appointed to comparable positions in the
29 ~~district~~ VTA without examination and these employees shall be
30 given sick leave, ~~seniority~~ seniority, and vacation credits in
31 accordance with the records of the acquired public utility. No
32 employee of any acquired public utility shall suffer any worsening
33 of wages, seniority, pension, ~~vacation~~ vacation, or other benefits
34 by reason of the acquisition.

35 ~~Whenever~~

36 (b) ~~Whenever~~ the ~~district~~ VTA acquires existing facilities from
37 a publicly or privately owned utility, either in proceedings in
38 eminent domain or otherwise, the ~~district~~ VTA shall assume and
39 observe all existing labor contracts.

40 The

1 (c) *The* provisions of this section ~~shall~~ apply only to those
2 officers or supervisory employees of the acquired utility as shall
3 be designated by the board.

4 SEC. 74. Section 100351 of the Public Utilities Code is
5 amended to read:

6 100351. Whenever the ~~district~~ VTA acquires existing facilities
7 from a publicly or privately owned utility, either in proceedings
8 in eminent domain or otherwise, that has a pension plan in
9 operation, members and beneficiaries of the pension plan shall
10 continue to have the rights, privileges, benefits, ~~obligations~~
11 *obligations*, and status with respect to the established system. The
12 outstanding obligations and liabilities of the public utility by reason
13 of the pension plan shall be considered and taken into account and
14 allowance made therefor in the purchase price of the public utility.
15 The persons entitled to pension benefits as provided for in this
16 section and the benefits ~~which~~ *that* are provided shall be specified
17 in the agreement or order by which any public utility is acquired
18 by the ~~district~~ VTA.

19 SEC. 75. Section 100370 of the Public Utilities Code is
20 amended to read:

21 100370. The board may establish a retirement system for the
22 officers and employees of the ~~district~~ VTA and provide for the
23 payment of annuities, pensions, retirement allowances, disability
24 payments, and death benefits or any of them. The adoption, terms,
25 and conditions of any retirement system covering employees of
26 the ~~district~~ VTA in a bargaining unit represented by a labor
27 organization shall be pursuant to a collective bargaining agreement
28 between the labor organization and the ~~district~~ VTA. For purposes
29 of this section, “officers” does not include members of the board
30 of directors.

31 SEC. 76. Section 100371 of the Public Utilities Code is
32 amended to read:

33 100371. The board may contract with the board of
34 administration of the Public Employees’ Retirement System and
35 enter all or any portion of its employees under ~~such~~ *that* system
36 ~~provided that~~ *if* no employees of the ~~district~~ VTA in a bargaining
37 unit ~~which~~ *that* is represented by a labor organization ~~shall be~~ *are*
38 included in ~~such~~ *the* contract except as authorized by a collective
39 bargaining agreement.

1 SEC. 77. Section 100372 of the Public Utilities Code is
2 amended to read:

3 100372. All persons receiving pension benefits from an
4 acquired public utility and all persons entitled to pension benefits
5 under any pension plan of ~~such~~ *the* acquired public utility may
6 become members or receive pensions under a pension plan
7 established by the ~~district~~ VTA by mutual agreement of ~~such~~ *the*
8 persons and the ~~district~~. ~~Such~~ VTA. *The* agreement may provide
9 for the waiver of all rights, privileges, ~~benefits~~ *benefits*, and status
10 with respect to the pension plan of ~~such~~ *the* acquired public utility.

11 SEC. 78. Section 100380 of the Public Utilities Code is
12 amended to read:

13 100380. The ~~district~~ VTA shall take ~~such~~ *the* steps as may be
14 necessary to obtain coverage for the ~~district~~ VTA and its employees
15 under Title 2 of the Federal Social Security Act, as amended, and
16 the related provisions of the Federal Contributions Act, as
17 amended.

18 SEC. 79. Section 100381 of the Public Utilities Code is
19 amended to read:

20 100381. The ~~district~~ VTA shall take ~~such~~ *the* steps as may be
21 necessary to obtain coverage for the ~~district~~ VTA and its employees
22 under the workers' compensation, unemployment compensation
23 ~~disability~~ *disability*, and unemployment insurance laws of the State
24 of California.

25 SEC. 80. Section 100400 of the Public Utilities Code is
26 amended to read:

27 100400. Whenever the board deems it necessary for the ~~district~~
28 VTA to incur a bonded indebtedness for the acquisition,
29 construction, or repair of any or all improvements, works, property,
30 or facilities, authorized by this part or necessary or convenient for
31 the carrying out of the powers of the ~~district~~, VTA, or for any other
32 purpose authorized by this part, the board shall, by ordinance,
33 adopted by a vote of two-thirds of all members of the board, so
34 declare and call an election to be held in the ~~district~~ *territory of*
35 *the* VTA for the purpose of submitting to the qualified voters thereof
36 the proposition of incurring indebtedness by the issuance of bonds
37 of the ~~district~~, ~~provided~~ VTA, *if* the total amount of bonds issued
38 and outstanding pursuant to this article ~~shall~~ *do* not exceed 15
39 percent of the assessed value of the taxable property of the ~~district~~

1 VTA as shown by the last equalized assessment roll of the County
2 of Santa Clara. The ordinance shall state:

3 (a) The purposes for which the proposed debt is to be incurred,
4 which may include all costs and estimated costs incidental to or
5 connected with the accomplishment of those purposes, including,
6 without limitation, engineering, inspection, legal, fiscal agents,
7 financial consultant, and other fees; bond and other reserve funds;
8 working capital; bond interest estimated to accrue during the
9 construction period and for a period not to exceed three years
10 thereafter; and expenses of all proceedings for the authorization,
11 issuance, and sale of the bonds.

12 (b) The estimated cost of accomplishing those purposes.

13 (c) The amount of the principal of the indebtedness.

14 (d) The maximum term the bonds proposed to be issued shall
15 run before maturity, which shall not exceed 50 years from the date
16 thereof or the date of each series thereof.

17 (e) The maximum rate of interest to be paid, which shall not
18 exceed 7 percent per annum.

19 (f) The proposition to be submitted to the voters, which may
20 include one or more purposes.

21 (g) The date of the election.

22 (h) The manner of holding the election and the procedure for
23 voting for or against the measure.

24 (i) The ordinance may also contain a statement that the retail
25 transaction and use tax mentioned in Article 9 (commencing with
26 Section 100250) of Chapter ~~5 of this part~~, 5, or a stated portion
27 thereof, shall be levied, or continued to be levied, and used to the
28 extent required to pay principal of and interest on the bonds as
29 they become due, to provide for any sinking fund payments
30 required therefor, or to create or maintain any reserve fund required
31 therefor.

32 (j) The ordinance may also contain any other matters authorized
33 by this part or any other law.

34 SEC. 81. Section 100401 of the Public Utilities Code is
35 amended to read:

36 100401. Notice of holding of the election shall be given by
37 publishing, pursuant to Section 6066 of the Government Code, the
38 ordinance calling the election in at least one newspaper published
39 in the ~~district~~ territory of the VTA. No other notice of the election

1 need be given. Except as otherwise provided in the ordinance, the
2 election shall be conducted as other district elections.

3 SEC. 82. Section 100403 of the Public Utilities Code is
4 amended to read:

5 100403. If a majority of the electors voting on the proposition
6 vote for it, then the board may, by resolution, at ~~such~~ a time or
7 times as it deems proper, issue bonds of the ~~district~~ VTA for the
8 whole or any part of the amount of the indebtedness so authorized
9 and may from time to time, by resolution, provide for the issuance
10 of ~~such~~ amounts as the necessity thereof may appear, until the full
11 amount of ~~such~~ the bonds authorized shall have been issued. The
12 full amount of bonds may be divided into two or more series and
13 different dates and different dates of payment fixed for the bonds
14 of each series. A bond need not mature on an anniversary of its
15 date. The maximum term the bonds of any series shall run before
16 maturity shall not exceed 50 years from the date of each series
17 respectively. In ~~such~~ the resolution or resolutions, the board shall
18 prescribe the form of the ~~bonds (including, bonds, including,~~
19 without limitation, registered bonds and coupon ~~bonds)~~ bonds, and
20 the form of any coupons to be attached thereto, the registration,
21 conversion, and exchange privileges, if any, pertaining thereto,
22 and fix the time when the whole or any part of the principal shall
23 become due and payable.

24 SEC. 83. Section 100404 of the Public Utilities Code is
25 amended to read:

26 100404. The bonds shall bear interest at a rate or rates not
27 exceeding 7 percent per annum, payable semiannually, except that
28 the first interest payable on the bonds or any series thereof may
29 be for any period not exceeding one year as determined by the
30 board. In the resolution or resolutions providing for the issuance
31 of the bonds, the board may also provide for call and redemption
32 of the bonds prior to maturity at ~~such~~ times and prices and upon
33 ~~such~~ other terms as it may specify, but no bond shall be subject to
34 call or redemption prior to maturity unless it contains a recital to
35 that effect or unless a statement to that effect is printed thereon.
36 The denomination or denominations of the bonds shall be stated
37 in the resolution providing for their issuance, but shall not be less
38 than one thousand dollars (\$1,000). The principal of and interest
39 on the bonds shall be payable in lawful money of the United States
40 at the office of the treasurer of the ~~district~~ VTA or at ~~such~~ another

1 other place or places as may be designated, or at either place or
2 places at the option of the holders of the bonds. The bonds, or ~~such~~
3 ~~the~~ series thereof, shall be dated and numbered consecutively and
4 shall be signed by the chairman of the board and the treasurer,
5 countersigned by the secretary and the official seal of the ~~district~~
6 VTA attached. The interest coupons of ~~such the~~ bonds shall be
7 signed by the treasurer. All ~~such~~ signatures, countersignatures,
8 and seal may be printed, lithographed, or mechanically reproduced,
9 except that one of ~~such the~~ signatures or countersignatures on the
10 bonds shall be manually affixed. If any officer whose signature or
11 countersignature appears on bonds or coupons ceases to be ~~such~~
12 ~~an~~ officer before the delivery of the bonds, his signature is as
13 effective as if he had remained in office.

14 SEC. 84. Section 100407 of the Public Utilities Code is
15 amended to read:

16 100407. All accrued interest and premiums received on the
17 sale of bonds shall be placed in the fund to be used for the payment
18 of principal of and interest on the bonds and the remainder of the
19 proceeds of the bonds shall be placed in the treasury to the credit
20 of the proper improvement fund and applied exclusively to the
21 purposes for which the debt was ~~incurred (which incurred, which~~
22 ~~purposes shall be in conformity with an approved general transit~~
23 ~~plan or element thereof then in effect); provided, however, that~~
24 ~~when such effect. When those~~ purposes have been accomplished
25 any moneys remaining in ~~such the~~ improvement fund (a) shall be
26 transferred to the fund to be used for the payment of principal of
27 and interest on the bonds, or (b) shall be placed in a fund to be
28 used for the purchase of outstanding bonds of the ~~district~~ VTA from
29 time to time in the open market at ~~such~~ prices and in ~~such a~~
30 manner, either at public or private sale or otherwise, as the board
31 may determine. Bonds so purchased shall be canceled immediately.

32 SEC. 85. Section 100409 of the Public Utilities Code is
33 amended to read:

34 100409. Whenever the board deems that the expenditure of
35 money for the purposes for which the bonds were authorized by
36 the voters is impractical or unwise, it may, by ordinance adopted
37 by a vote of two-thirds of all members of the board, so declare and
38 call an election to be held in the ~~district~~ *territory of the VTA* for
39 the purpose of submitting to the qualified voters thereof the
40 proposition of incurring indebtedness by the issuance of ~~such the~~

1 bonds for some other purposes or, in the case where bonds have
2 been sold, the proposition to use the proceeds for some other
3 purposes. The procedure, so far as applicable, shall be the same
4 as when a bond proposition is originally submitted.

5 SEC. 86. Section 100410 of the Public Utilities Code is
6 amended to read:

7 100410. The board may provide for the issuance, sale, or
8 exchange of refunding bonds to redeem or retire any bonds issued
9 by the ~~district~~ VTA upon the terms, at the times, and in the manner
10 which it determines. Refunding bonds may be issued in a principal
11 amount sufficient to pay all or any part of the principal of ~~such~~
12 outstanding bonds, the interest thereon, and the premiums, if any,
13 due upon call and redemption thereof prior to maturity and all
14 expenses of ~~such~~ the refunding. The provisions of this article for
15 issuance and sale of bonds apply to the issuance and sale of ~~such~~
16 the refunding bonds, except that (a) no election need be called or
17 held for the purpose of authorizing the issuance of refunding bonds,
18 and (b) when refunding bonds are to be exchanged for outstanding
19 bonds, the method of exchange shall be as determined by the board.

20 SEC. 87. Section 100411 of the Public Utilities Code is
21 amended to read:

22 100411. The provisions of Article 4 (commencing with Section
23 ~~53500~~), ~~53500~~) of Chapter ~~3~~, 3 of Part ~~1~~, 1 of Division ~~2~~, 2 of Title
24 5 of the Government Code are applicable to the ~~district~~ VTA.

25 SEC. 88. Section 100450 of the Public Utilities Code is
26 amended to read:

27 100450. The ~~district~~ VTA may issue bonds, payable from
28 revenue of any facility or enterprise to be acquired or constructed
29 by the ~~district~~, VTA, in the manner provided by the Revenue Bond
30 Law of 1941 (Chapter 6 (commencing with Section 54300) of Part
31 1 of Division 2 of Title 5 of the Government Code), all of the
32 provisions of which are applicable to the ~~district~~, VTA, except that
33 these bonds may be paid, in whole or in part, from revenues made
34 available under Article 9 (commencing with Section 100250) of
35 Chapter 5 and, in ~~such~~ a that case, the bonds may be issued without
36 an election if the resolution authorizing the bonds provides that
37 the retail transactions and use tax shall continue to be imposed
38 under that Article 9 until the bonds are fully paid or provision has
39 been made for their payment in full.

SEC. 89. Section 100451 of the Public Utilities Code is amended to read:

100451. The ~~district~~ VTA is a local agency within the meaning of the Revenue Bond Law of ~~1941, Chapter 1941~~ (*Chapter 6* (commencing with Section ~~54300~~), *54300*) of Part ~~1, 1~~ of Division ~~2, 2~~ of Title 5 of the Government ~~Code. Code~~). The term “enterprise” as used in the Revenue Bond Law of 1941 shall, for all purposes of this part, include the system or any or all transit facilities and all additions, extensions, and improvements thereto authorized to be acquired, constructed, or completed by the ~~district~~ VTA. The ~~district~~ VTA may issue revenue bonds under the Revenue Bond Law of 1941, for any one or more transit facilities authorized to be acquired, constructed, or completed by the ~~district~~ VTA or, in the alternative, may issue revenue bonds under the Revenue Bond Law of 1941, for the acquisition, construction, and completion of any one of ~~such~~ *those* transit facilities. Nothing in this article shall prevent the ~~district~~ VTA from availing itself of, or making use of, any procedure provided in this part for the issuance of bonds of any type or character for any of the transit facilities authorized hereunder, and all proceedings may be carried on simultaneously or, in the alternative, as the board may determine.

SEC. 90. Section 100460 of the Public Utilities Code is amended to read:

100460. The ~~district~~ VTA shall have power to purchase transit equipment such as cars, trolley buses, and motor buses, or rolling equipment; and may execute agreements, leases and equipment trust certificates in the forms customarily used by private corporations engaged in the transit business appropriate to effect ~~such~~ *the* purchase and leasing of transit equipment and may dispose of ~~such~~ *the* equipment trust certificates upon ~~such~~ terms and conditions as the board may deem appropriate. Payment for ~~such~~ *the* equipment, or rentals therefor, may be made in installments, and the deferred installments may be evidenced by equipment trust certificates payable from any source or sources of funds specified in ~~such~~ certificates that are or will be legally available to the ~~district~~ VTA. Title to ~~such~~ *the* equipment shall not rest in the ~~district~~ VTA until the equipment trust certificates are paid.

SEC. 91. Section 100461 of the Public Utilities Code is amended to read:

1 100461. The agreement to purchase or lease may direct the
2 vendor or lessor to sell and assign or lease the rolling equipment
3 to a bank or trust company duly authorized to transact business in
4 the State of California as trustee, for the benefit and security of
5 the equipment trust certificates and may direct ~~such~~ *the* trustee to
6 deliver the rolling equipment to one or more designated officers
7 of the ~~district~~ VTA and may authorize the ~~district~~ VTA to execute
8 and deliver simultaneously therewith an installment purchase
9 agreement or a lease of the equipment to the ~~district~~ VTA.

10 SEC. 92. Section 100462 of the Public Utilities Code is
11 amended to read:

12 100462. The agreements and leases shall be duly acknowledged
13 before a person authorized by law to take acknowledgments of
14 deeds and in the form required for acknowledgment of deeds. ~~Such~~
15 *These* agreements, leases, and equipment trust certificates shall be
16 authorized by resolution of the ~~district~~ VTA and shall contain ~~such~~
17 covenants, conditions, and provisions ~~which~~ *that* may be deemed
18 necessary or appropriate to ~~insure~~ *ensure* the payment of the
19 equipment trust certificates from legally available sources of funds
20 specified in ~~such~~ *the* certificates.

21 SEC. 93. Section 100463 of the Public Utilities Code is
22 amended to read:

23 100463. The covenants, conditions, and provisions of the
24 agreements, leases, and equipment trust certificates shall not
25 conflict with any of the provisions of any trust agreement securing
26 the payment of bonds, notes, or certificates of the ~~district~~ VTA.

27 SEC. 94. Section 100470 of the Public Utilities Code is
28 amended to read:

29 100470. The Improvement Act of 1911, the Municipal
30 Improvement Act of 1913 and the Improvement Bond Act of 1915
31 are applicable to the ~~district~~ VTA.

32 SEC. 95. Section 100471 of the Public Utilities Code is
33 amended to read:

34 100471. The provisions of Chapter 1 (commencing with Section
35 ~~99000~~, *99000*) of Part ~~11~~, *11* of Division 10 of the Public Utilities
36 Code are applicable to the ~~district~~ VTA.

37 SEC. 96. Section 100482 of the Public Utilities Code is
38 amended to read:

39 100482. The ~~district~~ VTA may borrow money in accordance
40 with the provisions of Article 7 (commencing with Section 53820),

1 or of Article 7.6 (commencing with Section ~~53850~~), 53850) of
2 Chapter ~~4~~, 4 of Part ~~1~~, 1 of Division ~~2~~, 2 of Title 5 of the
3 Government Code.

4 SEC. 97. Section 100483 of the Public Utilities Code is
5 amended to read:

6 100483. The ~~district~~ VTA may borrow money in anticipation
7 of the sale of bonds that have been authorized to be issued, but
8 have not been sold and delivered, and may issue negotiable bond
9 anticipation notes therefor and may renew the same from time to
10 time, but the maximum maturity of those notes, including the
11 renewals thereof, shall not exceed five years from the date of
12 delivery of ~~such~~ the original notes. The notes may be paid from
13 any moneys of the ~~district~~ VTA available therefor and not otherwise
14 pledged. If not previously otherwise paid, the notes shall be paid
15 from the proceeds of the next sale of the bonds of the ~~district~~ VTA
16 in anticipation of which they were issued. The notes shall not be
17 issued in any amount in excess of the aggregate amount of bonds
18 ~~which~~ that the ~~district~~ VTA has been authorized to issue, less the
19 amount of any bonds of that authorized issue previously sold, and
20 also less the amount of other bond anticipation notes therefor issued
21 and then outstanding. The notes shall be issued and sold in the
22 same manner as the bonds. The notes and the resolution or
23 resolutions authorizing them may contain any provisions,
24 conditions, or limitations ~~which~~ that a resolution of the ~~district~~
25 VTA authorizing the issuance of bonds may contain.

26 SEC. 98. Section 100490 of the Public Utilities Code is
27 amended to read:

28 100490. The ~~district~~ VTA may bring an action to determine the
29 validity of any of its bonds, equipment trust certificates, warrants,
30 notes, or other evidences of indebtedness pursuant to Chapter 9
31 (commencing with Section ~~860~~), 860) of Title ~~10~~, 10 of Part 2 of
32 the Code of Civil Procedure.

33 SEC. 99. Section 100491 of the Public Utilities Code is
34 amended to read:

35 100491. All bonds and other evidences of indebtedness issued
36 by the ~~district~~ VTA under the provisions of this part, and the interest
37 thereon, are free and exempt from all taxation within the State of
38 California, except for transfer, franchise, inheritance, and estate
39 taxes.

1 SEC. 100. Section 100492 of the Public Utilities Code is
2 amended to read:

3 100492. Notwithstanding any other provisions of this part or
4 any other law, the provisions of all ordinances, resolutions, and
5 other proceedings in the issuance by the ~~district~~ VTA of any bonds,
6 bonds with a pledge of revenues, bonds for improvement districts,
7 revenue bonds, equipment trust certificates, notes, or any and all
8 evidences of indebtedness or liability shall constitute a contract
9 between the ~~district~~ VTA and the holders of ~~such the~~ bonds,
10 equipment trust certificates, notes, or evidences of indebtedness
11 or liability and the provisions thereof shall be enforceable against
12 the ~~district~~, VTA, or any or all of its successors or assigns, by
13 mandamus or any other appropriate suit, action, or proceeding in
14 law or in equity in any court of competent jurisdiction. Nothing
15 contained in this part or in any other law shall be held to relieve
16 the ~~district~~ VTA or the territory included within it from any bonded
17 or other debt or liability contracted by the ~~district~~. VTA. Upon
18 dissolution of the ~~district~~ VTA or upon withdrawal of territory
19 therefrom, the property formerly included within the ~~district~~ *it* or
20 withdrawn therefrom shall continue to be liable for the payment
21 of all bonded and other indebtedness or liabilities outstanding at
22 the time of ~~such the~~ dissolution or withdrawal the same as if the
23 ~~district~~ VTA had not been so dissolved or the territory withdrawn
24 therefrom, and it shall be the duty of the successors or assigns to
25 provide for the payment of ~~such the~~ bonded and other indebtedness
26 and liabilities. Except as may be otherwise provided in the
27 proceedings for the authorization, issuance, and sale of any revenue
28 bonds, bonds secured by a pledge of revenues or bonds for
29 improvement districts secured by a pledge of revenues, revenues
30 of any kind or nature derived from any revenue-producing
31 improvements, works, facilities, or property owned, operated or
32 controlled by the ~~district~~ VTA shall be pledged, charged, assigned,
33 and have a lien thereon for the payment of ~~such the~~ bonds as long
34 as they are outstanding, regardless of any change in ownership,
35 operation, or control of ~~such the~~ revenue-producing improvements,
36 works, facilities, or property and it shall, in ~~such the~~ later event or
37 events, be the duty of the successors or assigns to continue to
38 maintain and operate ~~such the~~ revenue-producing improvements,
39 works, facilities, or property as long as bonds are outstanding.

1 SEC. 101. Section 100500 of the Public Utilities Code is
2 amended to read:

3 100500. The ~~district~~ VTA may be dissolved pursuant to the
4 Cortese-Knox-Hertzberg Local Government Reorganization Act
5 of 2000 (Division 3 (commencing with Section 56000) of Title 5
6 of the Government Code).

7 SEC. 102. Section 100601 of the Public Utilities Code is
8 amended to read:

9 100601. (a) Whenever the board finds that property adjacent
10 to, or in the vicinity of, one or more rail transit stations, or proposed
11 rail transit stations, of the ~~authority~~ VTA receives or will receive
12 special benefit by reason of the location or operation of one or
13 more of those rail transit stations, the board may, by resolution
14 adopted by a two-thirds vote of its members, provide for notice
15 and hearing on its intention to establish one or more special benefit
16 districts and levy a special benefit assessment on real property
17 therein for the purpose of financing, in whole or in part, the
18 acquisition, construction, development, joint development,
19 operation, maintenance, or repair of one or more rail transit stations
20 and rail transit related facilities located within the benefit district.

21 (b) In connection with the levy of a special benefit assessment,
22 the board shall comply with the notice, protest, and hearing
23 procedures set forth in Section 53753 of the Government Code.

24 (c) The resolution may provide that the proposed benefit district
25 will contain separate zones, which may consist of either contiguous
26 or noncontiguous areas of land within the ~~district~~. *territory of the*
27 VTA. The proposed benefit district and each proposed zone, if any,
28 therein shall be an area adjacent to, or in the vicinity of, one or
29 more rail transit stations or proposed rail transit stations. The
30 boundaries of the benefit district and of each zone, if any, therein
31 shall be drawn so as to reflect, as accurately as possible, the areas
32 in which special benefits are conferred by reason of the proximity
33 and operation of one or more rail transit stations.

34 (d) A notice stating the time and place of the hearing, and setting
35 forth the boundaries and purpose of the proposed benefit district,
36 shall be published prior to the time fixed for the hearing pursuant
37 to Section 6066 of the Government Code.

38 (e) For purposes of this chapter, "benefit district" means a
39 special benefit assessment district established pursuant to this
40 chapter, the area of which shall not lie more than one-half mile

1 from the center point of any rail transit station or proposed rail
2 transit station.

3 (f) For purposes of this chapter, “transit related facilities” means
4 land, buildings, and equipment, or any interest therein, whether or
5 not the operation thereof produces revenue, which has, as its
6 primary purpose, the operation of the rail transit system or the
7 providing of services to the passengers of the rail transit system,
8 but does not mean any land, buildings, or equipment, or interest
9 therein, which is used primarily for the production of revenue not
10 arising from the operation of the rail transit system.

11 SEC. 103. Section 100601.5 of the Public Utilities Code is
12 amended to read:

13 100601.5. (a) The resolution shall state, as appropriate, the
14 maximum and minimum rate of assessment, the amount of the
15 special benefit assessment and the purposes for which it is to be
16 levied, the estimated cost of accomplishing the purposes, and the
17 dates or approximate intervals at which the assessment shall be
18 levied. The resolution shall also state that the exterior boundaries
19 of the benefit district are set forth on a map on file with the
20 secretary of the ~~authority~~, VTA, which map shall govern for all
21 purposes as to the extent of the benefit district and zones, if any,
22 therein and that the area set forth on the map shall thereupon
23 constitute and be known as “Benefit District No. ____ of the Santa
24 Clara Valley Transportation Authority,” or as “Benefit Zone ____
25 of the Benefit District No. ____ of the Santa Clara Valley
26 Transportation Authority,” as designated by the board.

27 (b) A copy of the resolution shall be included with the notice
28 given pursuant to Section 53753 of the Government Code.

29 SEC. 104. Section 100602 of the Public Utilities Code is
30 amended to read:

31 100602. (a) In determining the amount of a special benefit
32 assessment, the board shall measure the benefit to real property in
33 the benefit district or zones therein according to the procedures
34 and approval process set forth in Section 4 of Article XIII D of the
35 California Constitution.

36 (b) The special benefit assessment constitutes a charge imposed
37 on particular real property for ~~an authority~~ a VTA project of direct
38 benefit to that property, and does not constitute ad valorem taxes
39 or any other form of general tax levy applying a given rate to the

1 assessed valuation of all taxable property within the ~~authority~~.
2 *territory of the VTA*.

3 (c) The authority shall possess all powers necessary for,
4 incidental to, or convenient for, the collection, enforcement,
5 administration, or distribution of the special benefit assessment in
6 accordance with California law.

7 (d) The revenue from a special benefit assessment, which is
8 imposed pursuant to this chapter, or from bonds secured by ~~such~~
9 *a the* special benefit assessment, for the purpose of financing a rail
10 transit station or rail transit related facility located within the
11 benefit district, shall be used only for financing of the facility for
12 which it was levied, and that revenue shall not be used for any
13 other purpose or the payment of any other expense of the ~~authority~~;
14 VTA, including, but not limited to, transit, transportation, or
15 operating expense.

16 SEC. 105. Section 100602.11 of the Public Utilities Code is
17 amended to read:

18 100602.11. At the time and place provided in the notice or at
19 any time and place to which the hearing is adjourned, the board
20 or its appointed hearing officer shall hear all of the following:

21 (a) The petition for exclusion or reduction.

22 (b) All evidence or proofs that may be introduced by or on behalf
23 of the petitioners.

24 (c) All objections to the petition that may be presented in writing
25 by any person, including the ~~authority~~. VTA.

26 (d) All evidence or proofs that may be introduced in support of
27 objections to the petition.

28 SEC. 106. Section 100602.14 of the Public Utilities Code is
29 amended to read:

30 100602.14. The board, after the hearing on an exclusion or
31 reduction petition, shall order one of the following by resolution:

32 (a) In the case of an exclusion petition, order the exclusion of
33 all or any part of the real property described in the petition upon
34 its finding that the property will not be benefited by the operations
35 of the ~~authority~~ VTA in the vicinity of the benefit district.

36 (b) In the case of a reduction petition, order a change in the
37 benefit assessment to all or any portion of the real property
38 described in the petition to provide that it not exceed the amount
39 of benefit derived by the operations of the ~~authority~~ VTA in the
40 vicinity of the benefit district.

1 (c) Confirm the assessment on the real property subject to the
2 petition as correctly reflecting the amount of benefit to the real
3 property.

4 SEC. 107. Section 100603 of the Public Utilities Code is
5 amended to read:

6 100603. (a) Following formation of the benefit district or
7 concurrently therewith, if the board deems it necessary to incur a
8 bonded indebtedness for the acquisition, construction, development,
9 joint development, completion, operation, maintenance, or repair
10 of one or more rail transit stations and related rail transit facilities
11 located within the benefit district, the board may provide, by
12 resolution, that the bonded indebtedness shall be payable from
13 special benefit assessments levied within the benefit district. The
14 resolution shall be adopted by a two-thirds vote of the members
15 of the board, and shall declare and state all of the following:

16 (1) That the board intends to incur an indebtedness, by the
17 issuance of bonds of the ~~authority~~, VTA, for the benefit district
18 which the board has formed, or intends to form, within a portion
19 of the ~~authority~~. *territory of the VTA.*

20 (2) The purposes for which the proposed debt is to be incurred,
21 which may include all costs and estimated costs necessary or
22 convenient for, incidental to, or connected with, the
23 accomplishment of the purposes, including, without limitation,
24 engineering, inspection, legal, fiscal agent, financial consultant,
25 bond and other reserve funds, working capital, bond interest
26 estimated to accrue during the construction period, if any, and for
27 a period not exceeding three years thereafter, and the expenses of
28 all proceedings for the authorization, issuance, and sale of the
29 bonds.

30 (3) The estimated cost of accomplishing the purposes and the
31 amount of the principal of the indebtedness to be incurred.

32 (4) That a general description of the benefit district and of each
33 zone, if any, therein and maps showing the exterior boundaries
34 thereof are on file with the secretary of the ~~authority~~ VTA and
35 available for inspection by any interested person.

36 (5) That special benefit assessments for the payment of the
37 bonds, and the interest thereon, have been, or are proposed to be
38 levied in the benefit district or zones therein in accordance with
39 the procedures and approval process set forth in Section 4 of Article
40 XIID of the California Constitution.

1 (6) The extent to which, if at all, all or a portion of the revenues
2 of the ~~authority~~ VTA are to be used to pay the principal of, interest
3 on, and sinking fund payments for, the bonds, including the
4 establishment and maintenance of any reserve fund therefor.

5 (7) The time and place set for hearing on the proposed issuance
6 of the bonds.

7 (8) That, prior to levying a special benefit assessment, the board
8 shall comply with the notice, protest, and hearing procedures set
9 forth in Section 53753 of the Government Code.

10 (9) The maximum term the proposed bonds shall run before
11 maturity, which shall not exceed 40 years from the date of the
12 bonds or any series thereof.

13 (10) The maximum rate or rates of interest to be paid, which
14 shall not exceed 12 percent per annum.

15 (11) That the pledge of special benefit assessment revenues to
16 the bonds authorized by this section has priority over the use of
17 any of those revenues for pay-as-you-go financing, except to the
18 extent that this priority is expressly restricted by any of the
19 ~~authority's~~ VTA's agreements with bondholders.

20 (b) The notice stating the time and place of the hearing on the
21 proposed issuance of bonds shall be published prior to the time
22 fixed for the hearing pursuant to Section 6066 of the Government
23 Code.

24 SEC. 108. Section 100605 of the Public Utilities Code is
25 amended to read:

26 100605. (a) Special benefit assessments for the payment of
27 the principal of, and interest on, bonds issued for a benefit district
28 or zone shall be levied in the benefit district or zone at rates that
29 are sufficient in the aggregate, together with revenues already
30 collected and available, to pay the principal of, and interest on, all
31 bonds the ~~authority~~ VTA issued for the benefit district or zone.
32 Other revenues of the ~~authority~~ VTA shall be used for the payment
33 of the principal of, and interest on, the bonds only to the extent set
34 forth in any agreement of the ~~authority~~ VTA for the benefit of
35 bondholders.

36 ~~Special~~

37 (b) *Special* benefit assessments in the benefit district and zones,
38 if any, therein shall be calculated in accordance with the
39 requirements set forth in Section 4 of Article XIII D of the
40 California Constitution.

1 SEC. 109. Section 100606 of the Public Utilities Code is
2 amended to read:

3 100606. (a) The bonds issued pursuant to this chapter shall
4 bear interest at a rate or rates not exceeding 12 percent per annum,
5 payable semiannually, except that the first interest payable on the
6 bonds or any series thereof may be for any period not to exceed
7 one year as determined by the board.

8 ~~If~~

9 (b) *In* the resolution or resolutions providing for the issuance
10 of bonds, the board may also provide for call and redemption of
11 the bonds prior to maturity at times and prices and upon any other
12 terms that it may specify. However, no bond is subject to call or
13 redemption prior to maturity unless the bond contains a recital to
14 that effect. The denomination or denominations of bonds shall be
15 stated in the resolution providing for their issuance, but shall not
16 be less than five thousand dollars (\$5,000). The principal of, and
17 interest on, the bonds shall be payable in lawful money of the
18 United States at the office of the treasurer of the ~~authority~~ VTA or
19 at any other place or places that may be designated by the board,
20 or at either place or places at the option of the holders of the bonds.
21 The bonds shall be dated, numbered consecutively, signed by the
22 board chairperson and chief financial officer, and countersigned
23 by the secretary and shall have the official seal of the ~~authority~~
24 VTA attached. The interest coupons of the bonds shall be signed
25 by the chief financial officer. The seal and all signatures and
26 countersignatures may be printed, lithographed, or mechanically
27 reproduced, except that one signature or countersignature shall be
28 manually affixed.

29 ~~If~~

30 (c) *If* an officer, whose signature or countersignature appears
31 on the bonds or coupons, leaves office for any reason prior to the
32 delivery of the bonds, the officer's signature is as effective as if
33 the officer had remained in office.

34 SEC. 110. Section 100609 of the Public Utilities Code is
35 amended to read:

36 100609. (a) All accrued interest and premiums received on
37 the sale of bonds issued by the ~~authority~~ VTA pursuant to this
38 chapter shall be placed in the fund to be used for the payment of
39 principal of, and interest on, those bonds. The remainder of the
40 proceeds received on the sale of the bonds shall be placed in the

1 treasury to secure those bonds or for the purposes for which the
2 debt was incurred.

3 ~~When~~

4 (b) *When* the purposes for which the debt was incurred have
5 been accomplished, any money remaining shall be either (a)
6 transferred to the fund to be used for the payment of principal of,
7 and interest on, the bonds or (b) placed in a fund to be used for the
8 purchase of those outstanding bonds of the ~~authority~~, VTA, from
9 time to time, in the open market at the prices and in the manner,
10 either at public or private sale or otherwise, that the board
11 determines. Bonds so purchased shall be canceled immediately.

12 SEC. 111. Section 100610 of the Public Utilities Code is
13 amended to read:

14 100610. (a) The board may provide for the issuance, sale, or
15 exchange of refunding bonds to redeem or retire any bonds issued
16 by the ~~authority~~ VTA under this chapter upon the terms, at the
17 times, and in the manner that it determines. Refunding bonds may
18 be issued in a principal amount sufficient to pay all, or any part,
19 of the principal of the outstanding bonds issued under this chapter,
20 the interest thereon, and the premiums, if any, due upon call and
21 redemption thereof prior to maturity and all expenses of the
22 refunding.

23 ~~The~~

24 (b) *The* provisions of this chapter, for the issuance and sale of
25 bonds apply to the issuance and sale of refunding bonds, except
26 that, when refunding bonds are to be exchanged for outstanding
27 bonds, the method of exchange shall be as determined by the board.

28 SEC. 112. Section 100612 of the Public Utilities Code is
29 amended to read:

30 100612. The board may change the purposes for which any
31 proposed debt is to be incurred, the estimated cost, the amount of
32 bonded debt to be incurred, or the boundaries of the benefit district
33 or zones, if any, therein or one or all of those matters, except that
34 the board shall not change the boundaries to include any territory
35 which will not, in its judgment, be benefited by the ~~authority~~ VTA
36 action.

37 SEC. 113. Section 100613 of the Public Utilities Code is
38 amended to read:

39 100613. (a) The board shall not change the purposes, the
40 estimated cost, the boundaries of the benefit district or zones, if

1 any, therein, or the amount of bonded debt to be incurred until
2 after it gives notice of its intention to do so, stating each proposed
3 change in the purpose and stating, if applicable, that the exterior
4 boundaries proposed to be changed are set forth on a map on file
5 with the secretary of the ~~authority~~. VTA. The notice shall also
6 specify the time and the place set for hearing.

7 (b) The notice shall be published prior to the time set for the
8 hearing pursuant to Section 6066 of the Government Code.

9 (c) The notice shall also be mailed at least 30 days prior to the
10 hearing to all owners of real property affected by the proposed
11 change whose names and addresses appear on the last equalized
12 assessment roll or are otherwise known to the board of supervisors
13 of the county in which the benefit district is located or to the
14 ~~authority~~. ~~Provided, however, that any~~ VTA. Any proposed increases
15 to a special benefit assessment ~~may~~ *shall* not be made unless all
16 notice, protest, and hearing procedures set forth in Section 53753
17 of the Government Code have been followed.

18 SEC. 114. Section 100618 of the Public Utilities Code is
19 amended to read:

20 100618. In the event of conflict with any other law, the
21 provisions of this chapter shall prevail with respect to benefit
22 districts within the ~~authority~~. *territory of the VTA*.

23 SEC. 115. Section 100619 of the Public Utilities Code is
24 amended to read:

25 100619. Notwithstanding any other provision of this chapter,
26 the ~~authority~~ VTA shall not pledge any portion of its general fund
27 revenues to pay any part of any bonded indebtedness incurred
28 under this chapter unless required by provisions of the California
29 Constitution.